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WEEKLY SUMMARY

Special Report

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Austria's Government Faces an Electoral Test

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AUSTRIA'S GOVERNMENT FACES AN ELECTORAL TEST

With the parliamentary elections on 1 March, Austria may be coming to the end of its first one-party government since 1945. As the race entered its final four weeks, Chancellor Klaus' People's Party appeared to be running neck and neck with its former coalition partner, Bruno Kreisky's Socialists. This position in itself represents some success for Klaus, because his party suffered a succession of losses to the Socialists in provincial and local elections during most of its four-year term in office. Most observers doubt that either major party will win a majority of seats in parliament, as the People's Party did in 1966, and even more believe that the People's Party is more likely than the Socialist Party to win a plurality.

A coalition, therefore, seems likely. It might take the form of a renewal of the People's Party - Socialist "Grand Coalition," which governed Austria from 1945 to 1966 and, in the view of many, impaired Austria's democracy. Or it might be a People's Party coalition with the small right-wing Liberal Party, which could polarize politics and lead to domestic difficulties. In either event, Klaus probably will retire, for he has vowed not to lead the People's Party in a coalition government.

THE ELECTORAL SYSTEM

The Austrians will be going to the polls for the eighth time since the end of World War II to elect the 165-seat lower house (Nationalrat) of parliament, and thus indirectly determine the shape of the next government. The principal contenders are the moderate, Catholic-oriented People's Party (OeVP) and the increasingly centrist-minded Socialist Party (SPOe). They have dominated Austrian political life in one guise or another for much of the past century and, for most of the last 25 years, have split about 90 percent of the vote. Unusual interest this time also focuses on the small right-wing Liberal Party (FPOe), which has been making noticeable inroads, mainly at the expense of the OeVP, in provincial and local elections since 1968.

Unlike the upper house (Bundesrat) of parliament, whose 50 deputies are elected by, and represent, the nine federal states, the Nationalrat is elected by universal suffrage of all citizens age 19 or over. Voting is compulsory in Nationalrat elections in only two of the states, but voter turnout has nevertheless run between 93 and 97 percent in each of the parliamentary elections since 1945. For election purposes, Austria is divided into 25 election districts, and seats are allocated according to the size of each district's population. As in most West European countries, the assignment of seats by party after an election is a two-stage process. The first assignment is performed by the election commissioners in each district. They divide the total valid vote by the number of the district's seats plus one to determine the number of votes necessary to obtain a single seat. The total valid vote of each party is then divided by this quotient to establish how many seats it has won. For the second stage, the commissioners of four or five combined, or regional, districts then pool the residual votes and

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distribute the remaining unassigned seats proportionally among the parties. To qualify in this second stage, a party must have secured at least one seat in the first, or district, allocation, a requirement that denies splinter parties national representation unless they are strong in one election district.

THE POLITICAL BACKGROUND

Until 1966, Austria had not had a single-party government since World War II ended in 1945, but instead had been governed by a succession of People's Party - Socialist "grand coalitions." From 1945, continuing at least until the end of the occupation ten year later, there were several major reasons for the coalition. The Austrians were conscious of the need to stand together to fend off encroachments by the Soviet occupation authorities. The two parties also believed that economic recovery could best be pursued through such cooperation, and they wanted to forestall a resurgence of party rivalries that had led to open civil war in February 1934, and thence to a Catholic party dictatorship until 1938. Following the state treaty and the end of the occupation in 1955, the grand coalition continued, chiefly because the Austrian people had become used to it and neither major party could obtain a parliamentary majority.

The grand coalition relied on an understanding that all important policy decisions would be made by a bipartisan committee, a procedure that reduced the role of parliament to that of confirming extraparliamentary decisions. A similar arrangement, known as Proporz, governed patronage; key public jobs were doled out in proportion to each party's seats in parliament. Inasmuch as the People's Party was always the stronger of the two in this period, it always held the chancellorship while the Socialist Party held the vice chancellorship. Each party bargained with the other for those ministries in which it was interested, with a tacit understanding that one party would control each ministry with a minimum of interference from the other. Certain important ministries, such as foreign affairs and defense, would be shared, with the minister being drawn from one party and his deputy, also with cabinet rank, coming from the other.

Strains, however, increasingly beset the coalition in the early 1960s. In the 1966 elections, the People's Party won an absolute majority in the Nationalrat for the first time in 13 years but still offered to reconstitute the "Black Red" coalition. The Socialists, however, decided to accept the almost forgotten role of opposition party rather than return to the coalition on the basis of the reduced Proporz offered by the OeVP. As the first one-party government got under way, a relative calm in political affairs prevailed until the fall of 1967, largely because the Socialist Party was undergoing an identity crisis. Even before the 1966 election, the party had been split between moderate elements, led by Bruno Kreisky, wishing to reform the party's image, and the traditional class-oriented elements, represented by chairman Bruno Pittermann. The belief that the party's losses had been due to decreased public confidence because of this quarrel gave renewed impetus to the Kreisky forces, which in January 1967 succeeded in replacing Pittermann with Kreisky. With their house in order, and not having to share the burdens of government, the Socialists were able in local election campaigns that fall to exploit the public's growing concern over the economic slowdown that had begun in late 1966, and the OeVP's real or alleged shortcomings as the government party.

Following Socialist successes in several elections, Chancellor Klaus in January 1968 shook up his cabinet in an effort to refurbish his government's image in time for elections that spring. He

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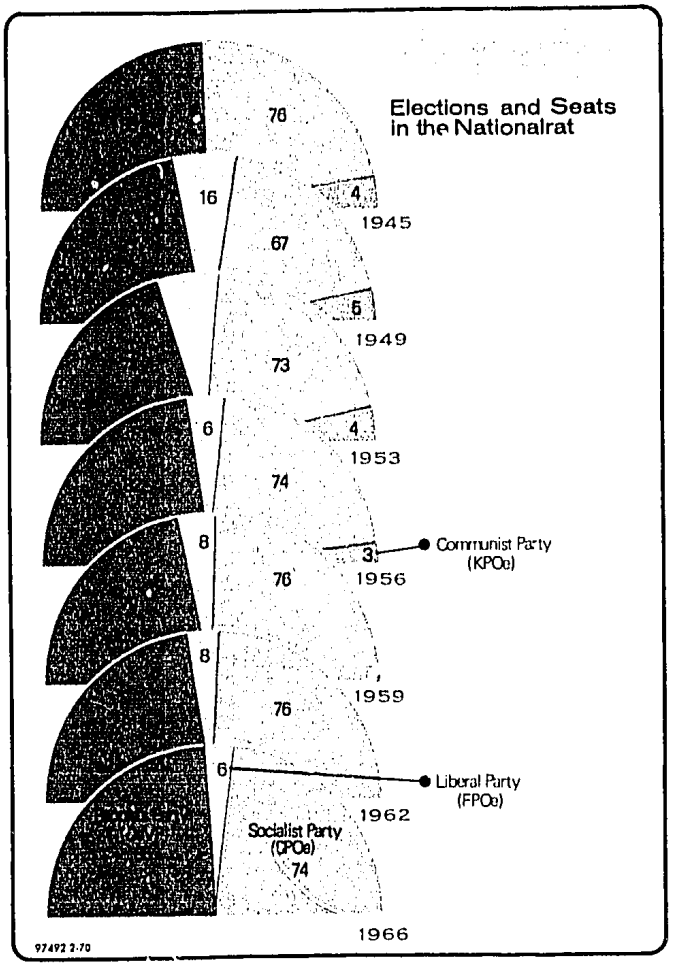

replaced the foreign minister and the vice chancellor, both of whom had been criticized by the press about the continuing, frustrating stalemates in the dispute with Italy over the South Tyrol and about Austria's efforts to strike an arrangement with the European Communities. He also appointed new ministers of interior, trade, and finance, and created the office of state secretary for information in the belief that the government's decline at the polls was partly the result of its poor public relations.

The shake-up, however, little more than a face-lifting, failed to stem the Socialist tide. The Socialists increased their share of the vote in the Burgenland provincial elections in late March, and again in a series of four local elections later that year, though their gain was somewhat behind the 1967 rate. Last year, there were signs that the People's Party was coming back. Socialist strength grew in two of four provincial elections, and the party did well in all three local elections. The People's Party, however, increased its voter strength in one provincial and one local election. The most surprising development was the gains of the minor parties, notably the Liberal Party, in all but one of the 1969 elections.

ISSUES

There are no great issues dividing the Austrian people, and the major parties have been unable to develop hard-hitting campaigns. All the parties promote such goals as educational reform, more housing construction, and increased social security benefits. All proclaim, furthermore, that they can carry out these programs more economically and efficiently than the others.

Most of the major problems facing the People's Party in 1967 and 1968 have evaporated, at least for the moment, leaving Klaus in his best competitive position since becoming Chancellor in 1966. On the domestic scene, the economic slowdown ended in 1968, and real GNP growth in 1969—over five percent—was higher than before the slowdown. People's Party candidates are also claiming credit for the party for the near-full employment situation, for having protected the schilling during the international monetary crises of 1968-69, and for the renewed vitality of the export industries. Although vulnerable on the touchy issue of inflation, they stress that the rise in prices last year, about three percent, was below other major growth indexes.

In foreign policy also, the People's Party is taking credit for progress—to some extent

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fortuitous—in resolving the country's two most vexatious problems, the South Tyrol dispute with Italy and the quest for some form of association with the European Communities. In the former case, Austrian and Italian negotiators reached agreement last fall on a package of concessions granting the German-speaking population of the South Tyrol a large measure of autonomy, and on an "operations calendar" for implementing the package over a four-year period. On the other problem, Austria's hopes of achieving an interim agreement giving Austrian exports easier entry into Common Market countries, pending a more definitive arrangement, were boosted when De Gaulle's retirement seemingly opened the way to a more affirmative French attitude. Prospects were further improved when Italy, as a result of the South Tyrol agreement, lifted its veto on the Community's consideration of the Austrian question.

The People's Party also hopes to benefit at the polls from the decision by the US and the USSR to meet in Vienna when they resume the strategic arms limitation talks on 1 April. Austrian governments over the years have consistently viewed Austria as a "bridge" between East and West, both because of its neutral status and because of its historic ties with Danubian Europe. These pretensions received a severe jolt, however, from the Soviet-led invasion of Czechoslovakia in 1968, and from subsequent Soviet charges of Austrian complicity in the Czechoslovak "counterrevolution." Although the invasion and the outrage most Austrians felt have not been forgotten, the superpowers' choice of Vienna as the site for negotiating on a major world problem allows Austrians to glory in their "bridge" role.

The Socialist Party has been unable to develop any issues that promise to attract large numbers of voters and is relying upon its "winner image" of the past two years to carry it to success in March. Its tactics are, on the one hand, to challenge the governing party's record, using the theme that the People's Party promised much but delivered little, and, on the other hand, to offer an alternative program for progress in the 1970s. Kreisky, a personally engaging leader, has worked hard since 1967 to make the Socialist Party attractive to all classes of society. He has emphatically denounced cooperation with the Communists and has moved far enough toward the center of the political spectrum to wean away some elements of the People's Party left wing in provincial and local elections.

The party's unity behind Kreisky's leadership, however, has recently shown signs of becoming unglued, raising again the possibility that internal strains may frighten away some voters, as happened in 1966. Despite Kreisky's objections, the party's powerful Vienna organization placed his old nemesis, Pittermann, on the list of candidates for parliament. The party has also tended to nominate other well-known figures, in contrast to the People's Party and the Liberal Party; they are trying to appeal to voters by nominating newcomers to national politics. The Socialist Party's program has also been labeled by some observers as too esoteric to capture the imagination of the electorate.

The Liberal Party, the perennial minority and opposition party since its founding in 1949, approaches the election with unusual optimism, because of its successes in recent local elections. Its announced goal is to double its present six seats in the Nationalrat, and Liberal Party leaders are hopeful of being invited to participate in a government coalition.

Essentially a protest party, the Liberal Party is promoting itself as a "clear alternative" to the major parties in its program titled "Formula '70."

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As recent elections have suggested, however, the Liberals can realistically hope to win votes only from the People's Party. The leadership's decision of 16 January to go into coalition only with the People's Party was clearly designed to woo voters who were dissatisfied with the People's Party and who hesitate to switch to the Liberals only because this might lead to a Socialist Party government. Liberal Party leaders are generally optimistic because observers estimate that the percentage of "undecideds" is unusually high—about 10 percent—this year, whereas it is traditionally about five or six percent before an election. The Liberals also think they will benefit from the fact that about 10 percent of the electorate this year will be voting for the first time.

None of the splinter parties is given much chance of winning even one district, essential to qualify for parliamentary representation. The Communist Party (KPOe) has lost support steadily since 1945, and has not had parliamentary representation since 1959. Although the party publicly condemned the Czechoslovak invasion, it fared abysmally in the 1969 elections and is currently riven by internal strife.

Franz Olah's Democratic Progressive Party (DFP) is not expected to equal its 1966 showing, when it won about 3.3 percent of the vote but not enough in any one area to claim a seat in the Nationalrat. The DFP is a splinter socialist group founded by Olah after he was expelled from the Socialist Party in 1964 for financial irregularities. Strongest in the Vienna region, the DFP polled about seven percent of the vote there in the 1966 election. In the municipal elections last spring, however, it won only 5.2 percent of the vote, partly because of the impact of Olah's belated trial.

INTANGIBLES

Because of the paucity of glamorous issues, the campaign and the election are very much a test of personalities. Both major parties are well represented by candidates with considerable appeal, particularly the leading contenders. Chancellor Klaus, widely regarded as the most popular politician in Austria, imparts a good, solid father image, and Kreisky, an excellent speaker and a polished debater, quickly establishes rapport with his audiences.

Bruno Kreisky

Josef Klaus

Kreisky, however, is Jewish, and many observers question whether a party led by a Jew can win a majority in Austria. The 1966 electoral campaign, in contrast to this one, degenerated into exchanges of personal insults climaxed by DFP leader Olah's anti-Semitic denunciations of Pitterman and Kreisky. Although party leaders this year are seeking to avoid a repetition of 1966 by forswearing personal attacks, some people who voted Socialist in provincial and local elections may turn elsewhere in order to keep Kreisky out of the Chancellor's chair.

Another enigma stems from the neo-Nazi image of the Liberal Party. The image goes back

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to 1949, when former supporters of the 1938-45 Anschluss with Germany were prominent in founding the party. Although the Liberal Party remains on the right wing of the political spectrum, many observers believe the party no longer deserves its earlier reputation, but few deny that most Austrians still regard it as being on the fringes of legitimacy. People's Party leaders reacted strongly to the decision by Liberals to join in a postelection coalition under certain conditions, apparently fearing that this prospect might drive the party's left wing into the Socialists' arms.

GOVERNMENT POSSIBILITIES

Ancillary to the campaign is the debate whether Austrian democracy is better served by a single-party government or a coalition. Increasing numbers of articulate Austrians favor a one-party government. The well-known correspondent Otto Schulmeister, writing in the influential Viennese independent paper, Die Presse, labeled a reconstitution of the Grand Coalition "the worst that could happen" at Austria's present stage of development. A poll conducted last year revealed that the number of People's Party members preferring single-party government jumped from 43 percent to 51 percent between 1968 and 1969, and that the same preference, while still held by a minority, was growing among Socialist Party members.

The leaders of the major parties are, of course, committed to seeking an "absolute majority" victory by which they would have the opportunity of establishing a single-party government. Indeed, Klaus maintains that a Grand Coalition is valid only in time of national emergency, contending that in normal periods, the interplay between governing party and opposition breathes life into the democratic process. So outspoken is Klaus on this point that it is widely assumed that he will step down if the party wins only a plurality. Kreisky, on the other hand, privately doubts that the Socialists can obtain a majority, and he has not ruled out Socialist participation in a coalition, if that is necessary. Kreisky once commented confidentially that he doubted that Austria can be governed effectively without enlisting both major parties to share in the responsibilities of government.

As the campaign passed mid-point in late January, the two major parties appeared to be running a tight race. Although the Socialists seemed to be well ahead in the months before the campaign officially opened, most observers now believe that the People's Party will lose its majority but retain a plurality, that the Socialists will improve their 1966 record, and that the Liberals will gain only a few seats. The formation of the postelection government, however, may not necessarily take into account the public's views on coalition and single-party governments, and may hinge on how strong a showing is made by such leaders as Klaus who have taken strong stands on this issue.

There is little doubt that a People's Party majority victory would lead to a reconstitution of the Klaus government, which has ruled for four years. Should the party win only a plurality, Klaus' successors would probably lead the party into a coalition with either the Socialists or the Liberals, rather than retreat into parliament as the opposition party.

The choice, in this situation, between the Socialists and the Liberals might be difficult. If the Liberal Party does well, raising its Nationalrat representation to about 10 seats, People's Party leaders might be tempted to form a coalition with it in order to keep the Socialists out of the

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government. Many leaders in the People's Party, however, including respected Finance Minister Koren, believe that this mini-coalition would further polarize Austrian politics and endanger economic progress by alienating the labor movement, which, until now, has been relatively constructive and moderate. As in the past, these advocates see a Grand Coalition as the only guarantee for stability and progress.

Should the Socialist Party win a majority, its leaders conceivably could induce Kreisky to lead a single-party Socialist government. Chances are better than even, however, that if the Socialists win either a majority or a plurality, Kreisky will opt for a Grand Coalition with the People's Party. What is less certain, however, is whether that party would accept a position subordinate to the Socialists.

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